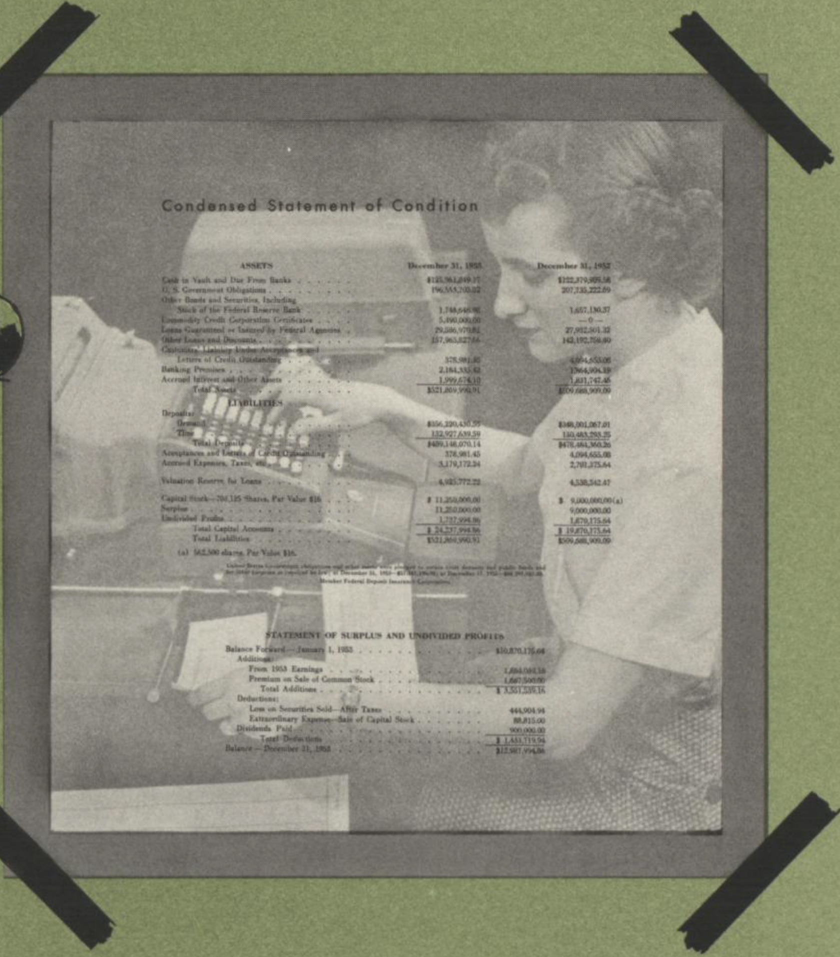
CLEVELAND PUBLIC LIBRARY
BUSINESS INF. BUR.
CORPORATION FILE



Condensed Statement of Condition

ASSETS	December 31, 1953	December 31, 1952
Cash in Vault and Due From Banks	$125,961,049.17	$122,379,909.58
U. S. Government Obligations	196,555,203.02	207,135,222.09
Other Bonds and Securities, Including Stock of the Federal Reserve Bank	1,748,646.96	1,657,130.37
Commodity Credit Corporation Certificates	5,490,000.00	—0—
Loans Guaranteed or Insured by Federal Agencies	29,586,970.82	27,932,501.32
Other Loans and Discounts	157,965,827.66	142,192,758.40
Customers' Liability Under Acceptances and Letters of Credit Outstanding	378,981.45	4,094,655.08
Banking Premises	2,164,335.42	1,964,904.19
Accrued Interest and Other Assets	1,999,674.10	1,831,747.46
Total Assets	$521,869,990.91	$509,688,909.09
LIABILITIES		
Deposits:		
Demand	$356,220,430.55	$348,001,067.01
Time	132,927,639.59	130,483,293.25
Total Deposits	$489,148,070.14	$478,484,360.26
Acceptances and Letters of Credit Outstanding	378,981.45	4,094,655.08
Accrued Expenses, Taxes, etc.	3,179,172.24	2,701,375.64
Valuation Reserve for Loans	4,925,772.22	4,538,542.47
Capital Stock—703,125 Shares, Par Value $16	$ 11,250,000.00	$ 9,000,000.00(a)
Surplus	11,250,000.00	9,000,000.00
Undivided Profits	1,737,994.86	1,870,175.64
Total Capital Accounts	$ 24,237,994.86	$ 19,870,175.64
Total Liabilities	$521,869,990.91	$509,688,909.09

(a) 562,500 shares, Par Value $16.

United States Government obligations and other assets were pledged to secure trust deposits and public funds and for other purposes as required by law; at December 31, 1953—[illegible]; at December 31, 1952—[illegible].

Member Federal Deposit Insurance Corporation

STATEMENT OF SURPLUS AND UNDIVIDED PROFITS

Balance Forward—January 1, 1953	$10,870,175.64
Additions:	
From 1953 Earnings	1,884,039.16
Premium on Sale of Common Stock	1,667,500.00
Total Additions	$ 3,551,539.16
Deductions:	
Loss on Securities Sold—After Taxes	444,904.94
Extraordinary Expense—Sale of Capital Stock	88,815.00
Dividends Paid	900,000.00
Total Deductions	$ 1,433,719.94
Balance—December 31, 1953	$12,987,994.86

The Annual Report
1953

CENTRAL NATIONAL BANK
of Cleveland

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Copyright 1954
Central National Bank of Cleveland

Almost everybody knows what a bank looks like—the uniformed guard, the familiar teller's window, the loan officer's desk, the armored truck that delivers its valuable cargo to the bank's door. But there's much to a bank that many persons never see—the people, the machines, the wonderful facilities behind the bank's exterior trappings. So, in this year's annual report, we thought you would be interested in taking a quick photographic tour through Central National Bank. Of necessity, it's a short trip—but, we feel, a fascinating one.

Please consider this your invitation to make a complete personally conducted tour through Central National. We have groups going through frequently, and we'd be happy to show you around.

CENTRAL NATIONAL BANK

of Cleveland

Summary of the 1953 Report

- Operating income was the highest in the 64-year history of the bank.
- For the second successive year, total resources exceeded one-half billion dollars.
- Average daily deposits were up $17 million over 1952.
- Total loans reached a new high of $193 million.
- The sale of 140,625 additional shares of Capital Stock provided $3,937,500 of new capital.
- At the year-end there were 703,125 shares of Common Stock registered in the names of 4404 shareholders, located in 35 states.
- The 17th office was opened in December in Fairview Park.

Statistical Summary of the Report

BALANCE SHEET ITEMS	**1953**	**1952**
Total Assets	$521,869,990	$509,688,909
Principal Asset Items:		
Cash and Due From Banks	$125,961,849	$122,379,989
U. S. Government Obligations	196,553,705	207,735,222
Other Bonds and Securities	1,748,646	1,657,130
Loans and Discounts	193,042,798	170,125,259
Principal Liability Items:		
Demand Deposits	$356,220,430	$348,001,067
Time Deposits	132,927,639	130,483,293
Total Deposits	$489,148,070	$478,484,360
Valuation Reserve for Loans	$ 4,925,772	$ 4,538,342
Capital Funds:		
Capital Stock	$ 11,250,000	$ 9,000,000
Surplus	11,250,000	9,000,000
Undivided Profits	1,737,994	1,870,175
Total Capital Funds	$ 24,237,994	$ 19,870,175
OPERATING RESULTS		
Operating Earnings	$ 4,139,039	$ 3,322,374
Federal Income Taxes (See Page 5)	1,875,000	1,160,000
Net Operating Earnings	$ 2,264,039	$ 2,162,374
Operating Earnings Transferred to Reserves	400,000	775,000
Operating Earnings After Reserves	$ 1,864,039	$ 1,387,374
Per Share of Capital Stock (a)		
Operating Earnings	$ 5.89	$ 4.72
Federal Income Taxes	2.67	1.65
Net Operating Earnings	$ 3.22	$ 3.07
Operating Earnings Transferred to Reserves	.57	1.10
Operating Earnings After Reserves	$ 2.65	$ 1.97
BOOK VALUE AND DIVIDENDS—PER SHARE		
Book Value of Capital Stock (a)	$ 34.47	$ 28.26
Dividends Paid on Capital Stock	1.60	1.40

(a) Based on 703,125 shares of capital stock presently outstanding.

The Annual Report for 1953

TO SHAREHOLDERS of
Central National Bank of Cleveland:

The year 1953 was the best in the history of the bank. It is gratifying to report, on the occasion of this 64th annual meeting of Shareholders, an all-time high in earnings and the second successive year in which total resources have exceeded one-half billion dollars.

The improvement in net operating earnings despite a heavy tax load, and the increase in volume of transactions reflected the nation's general economic health. Deposits and loans reached new peaks.

We have reason to be encouraged by the sound money program of the present Administration in Washington. A sound, honest dollar is not only of fundamental importance to banks, but to all Americans, since it involves their purchasing power, their savings, and their future.

EARNINGS

Operating income reached a new high of $13,239,955, an increase of $1,854,463 for the year. Because of the general rise in the cost of doing business, operating expenses were up $1,037,799. Wages and salaries which normally are a bank's largest single expense item, accounted for 43% of the total increase in expense.

Provision for Federal Income Tax on operating earnings amounted to $1,875,000. This was after a reduction of $208,000 resulting from transfers to the valuation reserves. Losses on Security transactions further reduced the amount of income tax payable to $1,393,020.

Net operating earnings after provision for Federal income tax amounted to $2,264,039, the largest in the bank's history, compared with $2,162,374 for 1952, or an increase of $101,665. Based on 703,125 shares now outstanding, net operating earnings were $3.22, an increase of 15¢ over $3.07 last year.

Dividends of $1.60 per share were paid during 1953, compared with $1.40 in 1952.

Shown here, left to right, are Loring L. Gelbach, President; John C. McHannan, Chairman; James M. Killpack, Senior Vice President.

LOANS

Month by month, in 1953, our loan activity was greater than the previous year. The year-end total of $193,042,798 exceeded the record year of 1952 by $22,917,538. Marked increases were in collateral, real estate mortgage and installment loans.

Loans other than real estate mortgages totaled $125,370,402 the first of the year. New loans of $177,522,433 were made during the 12 months. Payments during the year amounted to $159,293,613. This excellent turnover does not include renewals.

Totals in the various loan categories at the end of the year were:

Collateral	$ 76,025,852
Unsecured	66,997,476
Mortgages	49,797,225
Acceptances . . .	222,245
Total	$193,042,798

Conservatism and selectivity characterize the $49,797,225 of mortgage loans at year-end, an increase of $5,042,368 over 1952. A total number of 7476 mortgages averaged $6661 each. We are pleased to report that in 1953, thousands of homeowners made payments in excess of scheduled requirements.

* * *

The Installment Loan Division, which specializes in monthly payment type loans to individuals and business, had a highly satisfactory year. Loans held at year-end were substantially above the 1952 total.

SECURITIES

More than 99% of our $198,302,352 bond portfolio consists of U. S. Securities, of which $139,467,317 have a maturity date within one year. Market value at year-end was in excess of carrying value.

During the early part of the year, market prices of U. S. Securities, particularly those with long maturities, declined. We, therefore, adjusted our bond portfolio by the sale of long-term securities at a loss. We immediately reinvested the proceeds in other issues selling below par. After a tax reduction of $481,980, the net loss amounted to $444,904. This loss will be more than offset by the higher yield and the capital gain, if the substituted securities are held to maturity.

LIQUIDITY OF ASSETS

Cash and short-term loans, plus Government Securities with a maturity under 12 months, were equivalent to 73% of deposit liability.

DEPOSITS

Daily deposit totals averaged $17,200,000 higher than in 1952. Demand deposits increased $8,219,363, and total time deposits reached a high of $132,927,639.

CAPITAL ACCOUNTS

In October the Board of Directors recommended the issuance of additional Capital Stock to properly serve the growth in deposits, expanding de-

Central National's Loan Administration Committee meets regularly, handles all loan applications promptly. Over 200 years of banking experience is represented here.

Commercial Loans . . . A sound lending policy is one of the prime responsibilities of bank management. And a very important part of this loaning function is meeting the financial needs of business and industry. Central National loan officers have an intimate understanding of both manufacturing and marketing methods, and make loans for a wide variety of purposes—to finance raw material purchases, help complete manufacturing processes, meet payrolls, etc.

In addition to line-of-credit or secured loans for business and industry, Central National offers term loans running up to several years, warehouse loans for which revolving stocks of goods in storage become the security and loans arranged to meet special conditions. Also many businessmen with small operations make use of the Personal Loan Department.

Central National prides itself on having an intimate understanding of the particular trade practices and problems of businessmen in Cleveland and the Great Lakes region. Each loan officer specializes in a certain commercial field and keeps in day-to-day touch with the financial requirements of his particular field.

mand for loans and other banking services, and the steady and substantial increase in the volume of business activity in the bank. On November 2, the Shareholders approved the sale of 140,625 shares of new Capital Stock and were given rights to subscribe to one new share of stock for each four shares then held.

Rights to more than 95% of the new shares were promptly exercised by subscription. The increase in capital accounts of $3,937,500, resulting from the sale of these additional shares, makes possible further growth and broadens the bank's opportunity to continue serving customers, industries, and communities.

The capital of the bank, represented by 703,125 shares, par value $16, is as follows:

Capital Stock . . .	$11,250,000
Surplus	11,250,000
Undivided Profits .	1,737,994
	$24,237,994

VALUATION RESERVES

The Valuation Reserve Account, a reserve for our loan portfolio, totaled $4,925,772 at the close of the year. In 1953, $400,000 was transferred to this account from operating earnings, free of income tax. Recoveries on loans previously charged off added $89,079.

Charge-offs against the account for the year amounted to $101,649, reflecting our usual practice of eliminating every loan of questionable quality.

TRUST DEPARTMENT

The Trust Department served an increasing number of customers and the total volume of assets administered was the greatest in the bank's history. Customers served are located in all of the 48 states and throughout the free world.

Business and individuals alike are finding new and valuable opportunities to utilize the broadened facilities of our Corporate and Personal Trust

Installment Loans. We are continuing to promote installment financing as an important and necessary part of America's mass-production economy. For consumer credit enables more persons to purchase more durable goods such as automobiles, refrigerators, television sets and countless other articles—and to enjoy their use while paying for them. Consumer credit creates a demand for goods which, in turn, creates employment and improves the standard of living of the nation.

Central National finances Time Sales by lending money directly to purchasers. We also have special financing arrangements for dealers participating in Time Sales of durable goods. Prompt bank financing gives the merchant an important selling tool and frees him from bothersome bookkeeping collections.

Mortgage Loans. Our mortgage loan operation requires the services of one of the largest departments in the bank, with specially trained personnel to provide skillful, prompt handling of applications for home loans.

The purchase of a home is usually the most important financial transaction in the entire life of a man and it offers a real opportunity for us to win permanent friends throughout the community by our helpfulness. At Central National we keep this philosophy in mind from the day a prospective homeowner comes to us through to the day he moves into his new home—by counseling with him "at every stage of the game," by providing efficient escrow service and serving the borrower throughout the life of the loan.

One out of every thirty families in the Greater Cleveland area carries some form of installment loan at Central National. All of these names are kept in these confidential files.

Thousands of Clevelanders are enjoying home ownership thanks to a Central National Mortgage Loan.

Divisions. The years ahead offer great promise for further substantial growth in this department.

FOREIGN DIVISION

Although 1953 marked some decline in the international trade of the United States, exclusive of foreign aid, there were favorable trends toward the elimination of many dollar shortages abroad and the gradual return to convertible currency.

The world faces a series of economic readjustments which will greatly influence the course of world trade in the months ahead. If the major nations follow paths of peace instead of war, sound money, currency convertibility, and revived private investment stimulants, a great world-wide era of productive expansion could well be the 1954 pattern.

Our nationally recognized Foreign Division continues to provide the finest available facilities backed by years of mature experience. We provide complete services to those who export and import goods and materials, and to individuals at home or abroad. These services are made possible through direct relationships with correspondent banks in every accessible country.

BRANCHES

Our 16 strategically located branch offices contributed substantially to the profit and growth of our bank. Modern and well-planned facilities combined with staff and officers of enviable experience provide assurance of every banking convenience so essential to the present as well as future banking needs of the communities being served.

Our newest branch office, the 16th, was opened in December at 20633 Center Ridge Road, Fairview Park, and serves the new Westgate Shopping Center area. The new permanent building of the Brookpark-Pearl Office at 6300 Brookpark Road was completed in August.

These two new modern facilities have been well received in their respective communities and promise to be important units in our branch system.

PERSONNEL

The 994 employees in the bank family represent an increase of 52 since last year, resulting from the greatly increased volume of work.

Consistent with the long-established policy of advancement from within, a large number of staff members received promotions. Directors an-

Savings Plans . . . Central National offers its customers three different methods of saving—regular savings accounts, savings certificates and thrift accounts.

Most persons consider regular savings accounts the "backbone" of a savings program . . . to have some amount of money available immediately . . . to take advantage of "cash bargains" or other opportunities.

For long-term savings, Central National offers savings certificates which pay a higher rate of interest. Many customers have found that a combination of a regular savings account plus savings certificates best fit their needs.

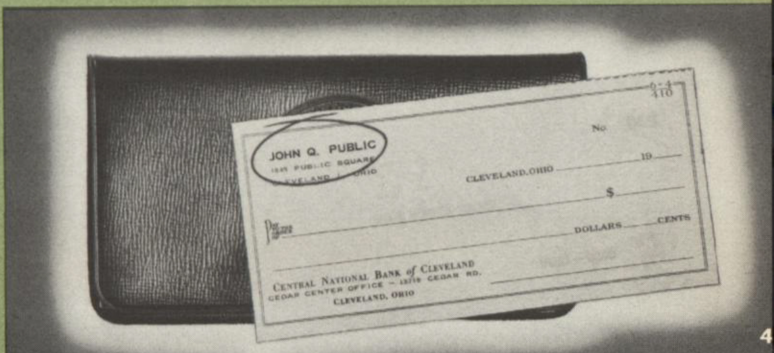
Central National Thrift Accounts are the ideal way to save money for a specific purpose —Christmas, a vacation, taxes, or a similar purpose. This choice of savings plans is just another example of Central National's complete banking service for families in the Greater Cleveland and surrounding area.

1

2

3

1. *Eight Central National Offices offer complete auto-banking facilities. The past year has shown a tremendous increase in the popularity of drive-in banking.*
2. *Our Central Index File contains the names of over 400,000 customers, and indicates the types of accounts each customer has in the bank. This unique installation features telephone plug-in connections every few feet, so that information can be given members of the official staff within seconds after the request.*
3. *Thanks to this battery of proof machines, Central National is able to process a greatly increased volume of work and give customers the fastest check clearance available.*
4. *Central National offers free imprinted checks for all personal checking accounts.*



4

Checking Services . . . During the past year, Central National announced another banking "first" in Cleveland—free imprinted checks for all personal checking accounts. With these free personalized checks, we also present, free of charge, a handsome check cover. This service naturally represents a saving to the customer—and it also means a saving to the bank in the form of reduced cost in clearing checks. We feel that this service has won many new friends and customers for us.

We have also instituted another checking service called the Account Reconcilement Plan. Offered at no extra cost to our customers, it enables companies with a large volume of checks to save a major portion of their check reconcilement expense.

This plan requires the use of punched-card checks which can be used on regular payroll equipment. We have had years of experience with the specialized equipment used in this work, and our experienced operators assure the prompt and efficient handling of a company's account under the Central National Bank Account Reconcilement Plan.

nounced the official appointments of Arnold Heinzerling and Gilbert L. Smith, Jr., as Trust Officers, Paul V. Purcell as Manager of the new Westgate Office, and Fred W. Brush as Manager of Personnel. On September 1, 1953, Frederick J. Blake joined the staff as Director of Public Relations.

Six members of the bank staff are serving in the U. S. Armed Forces. Two service veterans, Nicholas Ballinger, Jr., and Richard Livingston, returned to the bank during 1953. We are in communication with our servicemen regularly and they were included in the Christmas Bonus distribution.

Forty-nine former members of the staff are receiving benefits of the bank's Retirement Plan.

Seven of our staff members retired during the past 12 months. To Vice President William P. Abbott, Vice President Joseph P. Hance, Gene Campbell, Michael Hornyak, Walter T. Kyle, Julia M. Lendzion and Nora A. Sweeny, we express warm affection and esteem for their fine contribution to the bank's progress over the years of their association with it.

With deepest sorrow we record the deaths of Samuel E. Bool and E. R. Motch, Jr., members of our Board of Directors; Alvin R. Strittmatter, Assistant Cashier; John Johnson of our Oul Office staff; Iva Lowe, of the Trust Department; also Judson B. Holmden, Samuel A. Jaeger, Lillie Wieland, John Fish and Hugh W. Horton, retired members of the bank staff.

At the last Annual Shareholders Meeting in January, Dudley S. Blossom, Jr., Secretary, Bearings, Inc.; James H. Coolidge, Vice President and Treasurer, Thompson Products, Inc.; and Howard J. McGinn, President, Eaton Manufacturing Co., were elected members of the Board of Directors.

In February, E. Franklin Motch, President and Treasurer, The Motch & Merryweather Machinery Co., was elected a Director, filling the vacancy created by the death of his cousin, E. R. Motch, Jr.; and on December

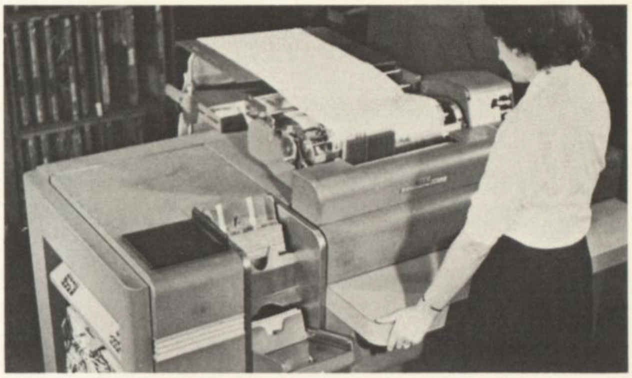
TRUST
DEPARTMENT

Trust Services . . . All fiduciary phases of the bank's business are performed in the Trust Department. The Department operates in seven divisions—each covering a particular area of the fiduciary function. These seven divisions constitute a smoothly working whole, assuring to the bank's trust customers the finest type of trust service.

Trust Department in Action . . . Seven Working Divisions

Corporate Trust Division . . . The Corporate Trust Division handles pension and profit-sharing trusts, bond trusteeships, transfer agencies and registrarships for Capital Stock, dividend-paying agencies, etc. Its customers range in size from the country's largest corporations to small neighborhood businesses.

Personal Trust Division . . . The Personal Trust Division administers the settlement of estates, trusts under wills, living trusts and guardianships, agencies for individuals, funds for charitable, educational and philanthropic institutions. Beneficiaries are scattered over a large part of the globe.



Trust Accounting Division . . . All the records of our many trusts are kept in our Trust Accounting Division. The most modern, highly mechanized equipment is used to gain economy and to give trust customers accurate, clear reports and statements promptly.

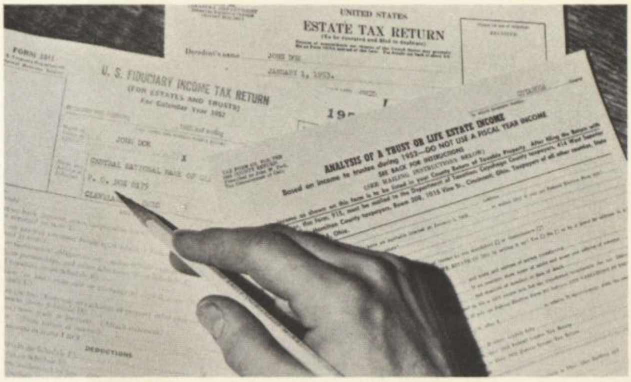
PENSION and PROFIT SHARING
EMPLOYEE BENEFIT PLANS IN OPERATION
CCH
TRUST SERVICE WILLS ESTATES TRUSTS Vol. 1
TRUST SERVICE WILLS ESTATES TRUSTS Vol. 2
P-H

Trust Development Division . . . Wise planning, always important, in trust matters is essential. Whether an individual is arranging his estate or a corporation is designing a pension or profit-sharing program, the planning skills of this division will be found invaluable.

Trust Investment Division . . . Continual supervision, research, and study underlie every trust investment decision. Within the investment policy specifically established for each separate trust, this division initiates the selection of new securities and recommends retention or disposition of securities held.

OFFICIAL
HEARNE BROTHERS
GREATER CLEVELAND
CUYAHOGA COUNTY
INSERT A

Trust Real Estate Division . . . Whatever it is in real estate—a home, a commercial business site, a factory, an office building, a lease for a gasoline station, a mortgage loan—an endless variety of problems demands and receives specialized attention.


UNITED STATES
ESTATE TAX RETURN
U. S. FIDUCIARY INCOME TAX RETURN
(FOR ESTATES AND TRUSTS)
For Calendar Year 1952
ANALYSIS OF A TRUST OR LIFE ESTATE INCOME
JOHN DOE
DEDUCTIONS

Trust Tax Division . . . Modern life and taxes are synonymous. Trusts are no exception to this rule. Indeed, to them, taxes are a very special concern. Tax questions involving our trusts receive expert scrutiny and analysis in our Trust Tax Division.

CORRESPONDENT BANKING

Central National is particularly proud of its correspondent bank relations with banks in Ohio, the United States and throughout the world. We work with these banks in almost every banking function. Typical of this policy are our annual conferences with correspondent banks in the Fourth Federal Reserve District. These are informal sessions with small groups to encourage discussion. Emphasis is on timely topics not covered in the larger bankers' meetings or conventions. Our own men lead the discussions, which are confined to practical banking opportunities.

FOREIGN SERVICES

The Foreign Department in the bank is a specialized department which maintains banking contacts with every accessible country in the world. The department furnishes credit reports on foreign firms to individuals and firms wishing to do business in foreign lands, as well as other information regarding the regulations and customs in other countries. We arrange for the transfer of funds to foreign banks, individuals and companies in any country and issue commercial and travelers' letters of credit and travelers' checks for domestic and foreign use.

SAFE DEPOSIT BOXES

Every one of our 17 offices offers individuals and companies safe deposit boxes for the complete protection of important papers and valuables. Whatever the contents, they couldn't be safer—or more private. The value of such security is immeasurable, yet the cost is small.

24, W. Wayne Hancock, Vice President in charge of Finance and Secretary of Republic Steel Corporation, was elected a Director, filling the vacancy created by the death of Samuel E. Bool.

We acknowledge with sincere appreciation the fine contributions of each Staff Member and Director, which made possible the outstanding achievements of the past year.

SPECIAL AWARDS

The 1952 Annual Report of the bank was judged the best in the national banking industry, in the Financial World's Annual Report competition. The bank was also named a winner in the Cleveland Advertising Club's annual performance competition.

* * *

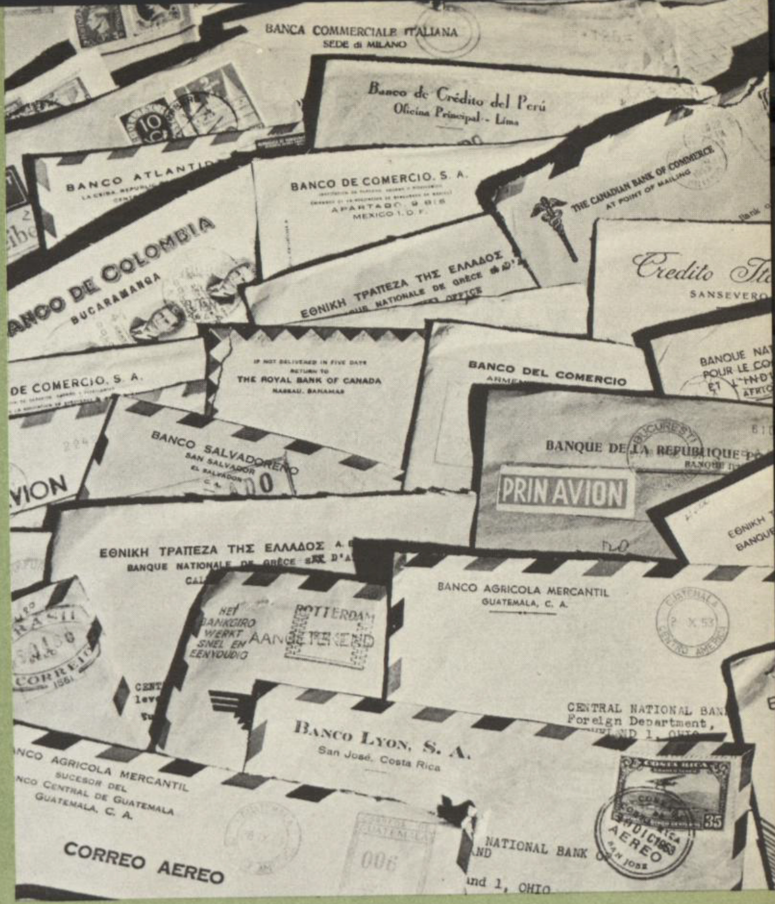
The Officers and Board of Directors appreciate the strong support and cooperation of Shareholders. The outlook for good business in 1954 justifies an optimism in which we share. Each Officer and Staff Member will strive diligently to make it a good year for Central National Bank of Cleveland.

Respectfully submitted,
John C. McHannan,
Chairman

Loring L. Gelbach,
President

THE COMMERCIAL AND SAVINGS BANK
BANKING HOURS
9:00 A.M. -
WED.-SAT.
9:00 A.M. - 12:00

Central National Officers visit regularly with correspondent banks, counseling with them on virtually every phase of banking.


BANCA COMMERCIALE ITALIANA
SEDE di MILANO
Banco de Crédito del Perú
Oficina Principal - Lima
BANCO ATLANTIDA
BANCO DE COMERCIO, S. A.
MEXICO 1, D. F.
THE CANADIAN BANK OF COMMERCE
BANCO DE COLOMBIA
BUCARAMANGA
ΕΘΝΙΚΗ ΤΡΑΠΕΖΑ ΤΗΣ ΕΛΛΑΔΟΣ
Credito
SANSEVERO
THE ROYAL BANK OF CANADA
NASSAU, BAHAMAS
BANCO DEL COMERCIO
DE COMERCIO, S. A.
BANCO SALVADOREÑO
SAN SALVADOR
EL SALVADOR
BANQUE DE LA REPUBLIQUE
PRIN AVION
BANQUE NATIONALE DE GRÈCE
BANCO AGRICOLA MERCANTIL
GUATEMALA, C. A.
ROTTERDAM
CENTRAL NATIONAL BANK
Foreign Department,
Banco Lyon, S. A.
San José, Costa Rica
BANCO AGRICOLA MERCANTIL
SUCESOR DEL
BANCO CENTRAL DE GUATEMALA
GUATEMALA, C. A.
CORREO AEREO
NATIONAL BANK
1, OHIO

A typical day's mail for the Foreign Division includes letters from countries all over the world.

This safe deposit vault door weighs 20 tons and is controlled by three time locks.

Special rooms that lock from the inside are provided so that customers may examine contents of their safe deposit boxes in complete privacy.

Central National People

Keeping informed on economic and banking subjects.

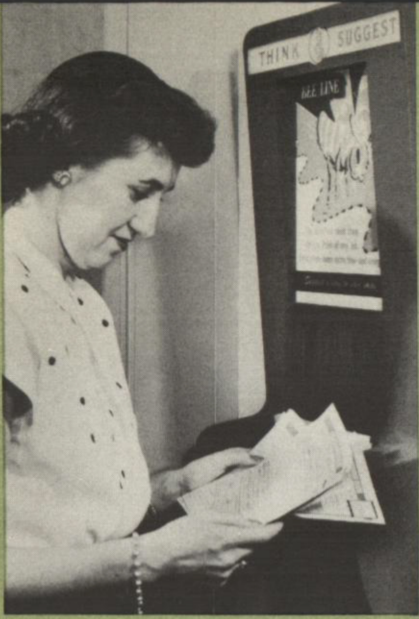
Nearly one thousand employees make up the Central National family, and every individual person is vitally important to the success of the bank. There's no doubt in our minds but that the high caliber of our staff is one of the reasons why we are the third largest bank in Ohio, with resources of over $500,000,000.

Frankly, we pride ourselves on our ability to attract and select topflight people. And once they're on our staff, we do everything in our power to help make them better bankers, to keep them happy in their work.

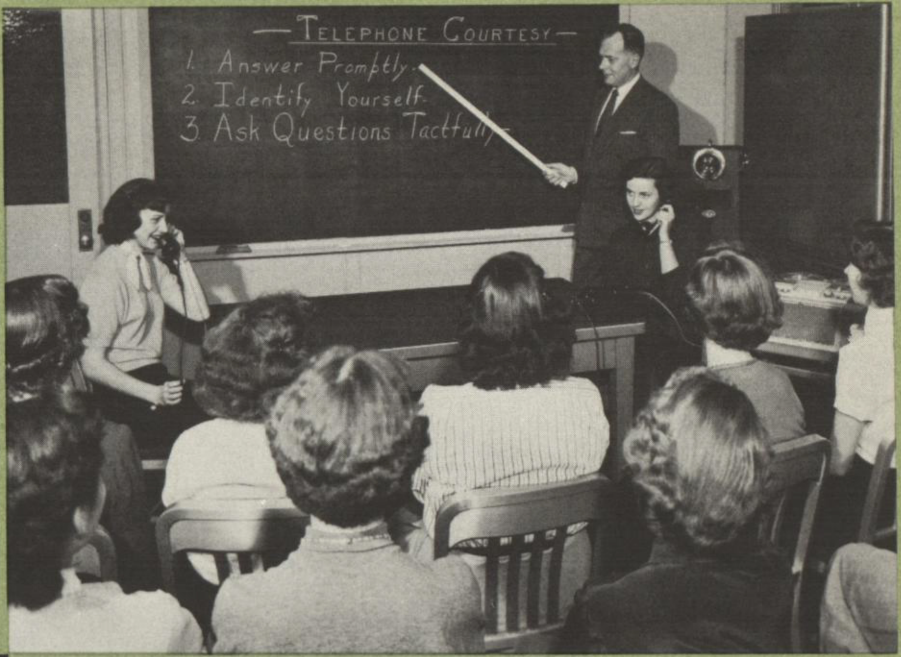
This means a lot of things—sound leadership . . . opportunities for advancement . . . practical employee benefits . . . ideal working conditions and the finest equipment available . . . plus the plain, old-fashioned esprit de corps that's so necessary to knit any group of people into an enthusiastic, smoothly functioning organization.

Proof, we feel, that this philosophy works can be found in our growth record as shown in this Annual Report—plus a look at the list of people who are making lifetime careers at Central National. Over 270 people have been with us ten years or longer—over 125, twenty years or longer!

Yes, we're proud of our people. They've made Central National the bank it is today!

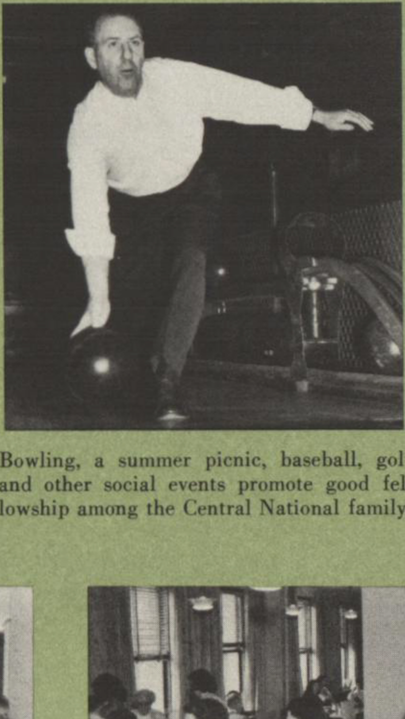


Central National's Suggestion Plan pays cash awards for ideas accepted by management. Every idea is considered by a representative committee of experienced key personnel.

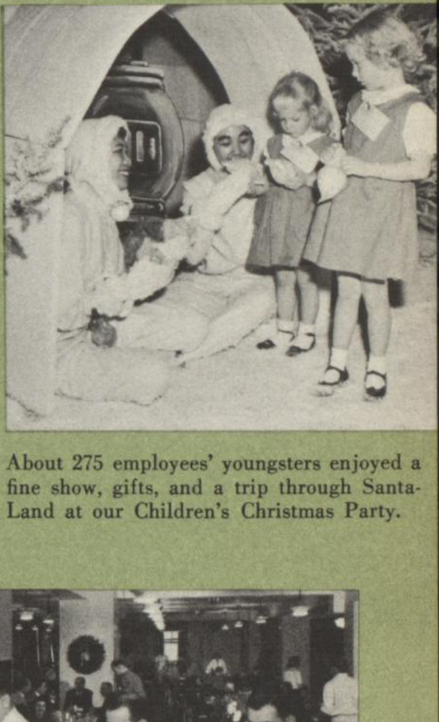


A comprehensive training program is carried on at Central National, day in and day out. Here we see a typical class in session, learning proper telephone technique and manners.

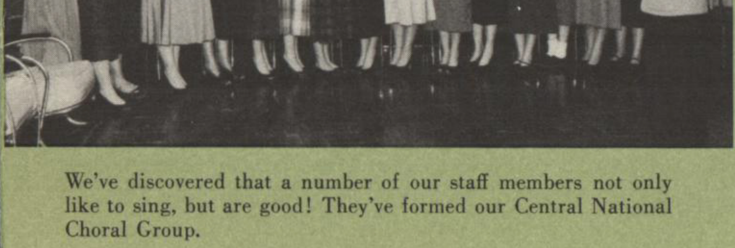
Staff members participate actively in community activities. Here it's Blood Donor Day with the Red Cross Mobile Unit on the premises.



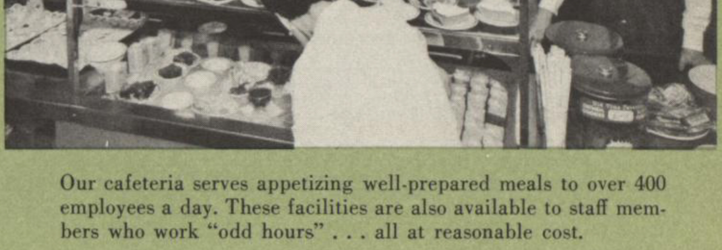
Bowling, a summer picnic, baseball, golf and other social events promote good fellowship among the Central National family.



About 275 employees' youngsters enjoyed a fine show, gifts, and a trip through Santa-Land at our Children's Christmas Party.



We've discovered that a number of our staff members not only like to sing, but are good! They've formed our Central National Choral Group.



Our cafeteria serves appetizing well-prepared meals to over 400 employees a day. These facilities are also available to staff members who work "odd hours" . . . all at reasonable cost.

Condensed Statement of Condition

ASSETS	December 31, 1953	December 31, 1952
Cash in Vault and Due From Banks	$125,961,849.17	$122,379,989.58
U. S. Government Obligations	196,553,705.32	207,735,222.69
Other Bonds and Securities, Including Stock of the Federal Reserve Bank	1,748,646.98	1,657,130.37
Commodity Credit Corporation Certificates	5,490,000.00	—0—
Loans Guaranteed or Insured by Federal Agencies	29,586,970.81	27,932,501.32
Other Loans and Discounts	157,965,827.66	142,192,758.40
Customers' Liability Under Acceptances and Letters of Credit Outstanding	378,981.45	4,094,655.08
Banking Premises	2,184,335.42	1,864,904.19
Accrued Interest and Other Assets	1,999,674.10	1,831,747.46
Total Assets	$521,869,990.91	$509,688,909.09
LIABILITIES		
Deposits:		
Demand	$356,220,430.55	$348,001,067.01
Time	132,927,639.59	130,483,293.25
Total Deposits	$489,148,070.14	$478,484,360.26
Acceptances and Letters of Credit Outstanding	378,981.45	4,094,655.08
Accrued Expenses, Taxes, etc	3,179,172.24	2,701,375.64
Valuation Reserve for Loans	4,925,772.22	4,538,342.47
Capital Stock—703,125 Shares, Par Value $16	$ 11,250,000.00	$ 9,000,000.00 (a)
Surplus	11,250,000.00	9,000,000.00
Undivided Profits	1,737,994.86	1,870,175.64
Total Capital Accounts	$ 24,237,994.86	$ 19,870,175.64
Total Liabilities	$521,869,990.91	$509,688,909.09

(a) 562,500 shares, Par Value $16.

United States Government obligations and other assets were pledged to secure trust deposits and public funds and for other purposes as required by law; at December 31, 1953—$57,141,190.90; at December 31, 1952—$62.591,032.58.

Member Federal Deposit Insurance Corporation

STATEMENT OF SURPLUS AND UNDIVIDED PROFITS

Balance Forward — January 1, 1953	$10,870,175.64
Additions:	
From 1953 Earnings	1,864,039.16
Premium on Sale of Common Stock	1,687,500.00
Total Additions	$ 3,551,539.16
Deductions:	
Loss on Securities Sold—After Taxes	444,904.94
Extraordinary Expense—Sale of Capital Stock	88,815.00
Dividends Paid	900,000.00
Total Deductions	$ 1,433,719.94
Balance — December 31, 1953	$12,987,994.86

Statement of Earnings

OPERATING INCOME	1953	1952
Interest on Loans (After Amortization)	$ 7,201,689.64	$ 6,147,622.82
Interest on U. S. Securities (After Amortization)	4,061,530.71	3,440,461.18
Interest on Other Securities (After Amortization)	49,462.22	55,710.02
TOTAL INTEREST INCOME	$11,312,682.57	$ 9,643,794.02
Other Income	1,927,272.56	1,741,697.33
TOTAL OPERATING INCOME	$13,239,955.13	$11,385,491.35

OPERATING EXPENSES		
Interest on Time Deposits	$ 1,196,236.77	$ 1,130,597.02
Salaries, Wages, and Contribution to Retirement Plan	4,366,670.18	3,924,824.30
Occupancy Expenses (Including Real Estate Taxes)	861,709.81	818,453.82
Taxes (Other than Real Estate and Federal Income)	684,844.76	577,368.28
Federal Deposit Insurance	136,121.00	134,010.00
Other Expenses	1,855,333.45	1,477,863.06
TOTAL OPERATING EXPENSES	$ 9,100,915.97	$ 8,063,116.48
OPERATING EARNINGS BEFORE FEDERAL INCOME TAX	$ 4,139,039.16	$ 3,322,374.87
Provision for Federal Income Tax on Operating Earnings*	1,875,000.00	1,160,000.00
NET OPERATING EARNINGS BEFORE RESERVES	$ 2,264,039.16	$ 2,162,374.87
Transferred to Valuation Reserves	400,000.00	775,000.00
OPERATING EARNINGS AFTER RESERVES	$ 1,864,039.16	$ 1,387,374.87
PROFIT (OR LOSS) ON SECURITIES SOLD—AFTER TAXES	($444,904.94)	$ 8,689.52

*See Page 5.

Balance Sheet and Operating Ratios

	1953	1952
OPERATING EARNINGS ON COMMON STOCK, PER SHARE		
(Based on 703,125 shares)		
Operating Earnings Before Federal Income Taxes	$ 5.89	$ 4.72
Provision for Federal Income Tax on Operating Earnings	2.67	1.65
Net Operating Earnings Before Reserves	$ 3.22	$ 3.07
Distribution of Operating Earnings		
To Valuation Reserve	$ .57	$ 1.10
To Undivided Profits	2.65	1.97
Total	$ 3.22	$ 3.07
BOOK VALUE PER COMMON SHARE		
(Based on 703,125 Shares)	$34.47	$28.26
OPERATING INCOME—PER CENT OF TOTAL		
Interest on Loans (After Amortization)	54.39%	53.99%
Interest on Securities (After Amortization)	31.05	30.71
Trust Department Income	6.15	6.93
Other Income	8.41	8.37
Total Operating Income	100.00%	100.00%
Distribution of Operating Income		
Interest Paid on Time Deposits	9.04%	9.93%
Salaries, Wages, and Contribution to Retirement Plan	32.98	34.47
Occupancy Expense (Including Real Estate Taxes)	6.51	7.19
Taxes (Other Than Real Estate and Federal Income)	5.17	5.07
Federal Deposit Insurance	1.03	1.18
Other Expenses	14.01	12.98
Total Expenses	68.74	70.82
Provision for Federal Income Tax on Operating Earnings	14.16	10.19
Net Operating Earnings	17.10	18.99
	100.00%	100.00%
AVERAGE RATE OF EARNINGS PER ANNUM		
(After Amortization)		
Total Loans (Discounts, Mortgage, Personal, etc.)	4.33%	4.11%
U. S. Securities	1.98	1.74
Other Securities	3.56	3.03
Total Loans and Securities	3.03	2.76
ASSETS—PER CENT OF TOTAL		
Total Cash and Due From Banks	24.14%	24.01%
Loans and Discounts	36.99	33.38
U. S. Securities	37.66	40.76
Other Bonds and Securities	.34	.32
Other Assets	.87	1.53
Total Assets	100.00%	100.00%
DEPOSITS—PER CENT OF TOTAL		
Commercial	52.34%	52.85%
Bank	9.63	8.28
Public Funds—Demand	3.12	3.34
Other Demand Deposits	5.16	5.05
Total Demand Deposits	70.25	69.52
Savings Deposits	23.37	24.58
Other Time Deposits	3.81	2.69
Total Time Deposits	27.18	27.27
Treasury Tax and Loan Account	2.57	3.21
Total Deposits	100.00%	100.00%

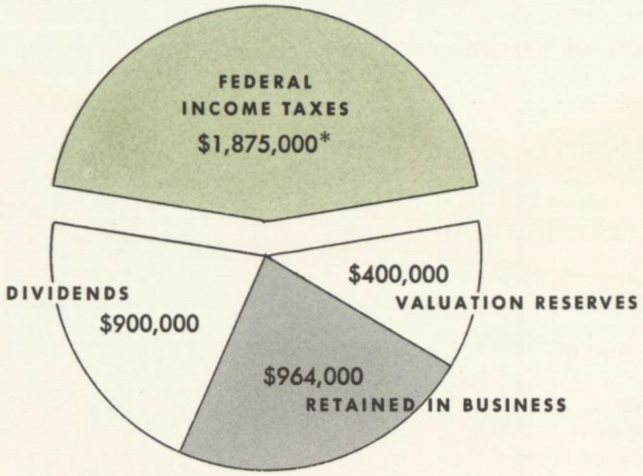
Source and Disposition of 1953 Income

(IN THOUSANDS OF DOLLARS)

SOURCE	
Interest on Loans (After Amortization)	55¢
Interest on Securities (After Amortization)	31¢
Trust Department Income	6¢
Other Income	8¢
TOTAL	$1.00

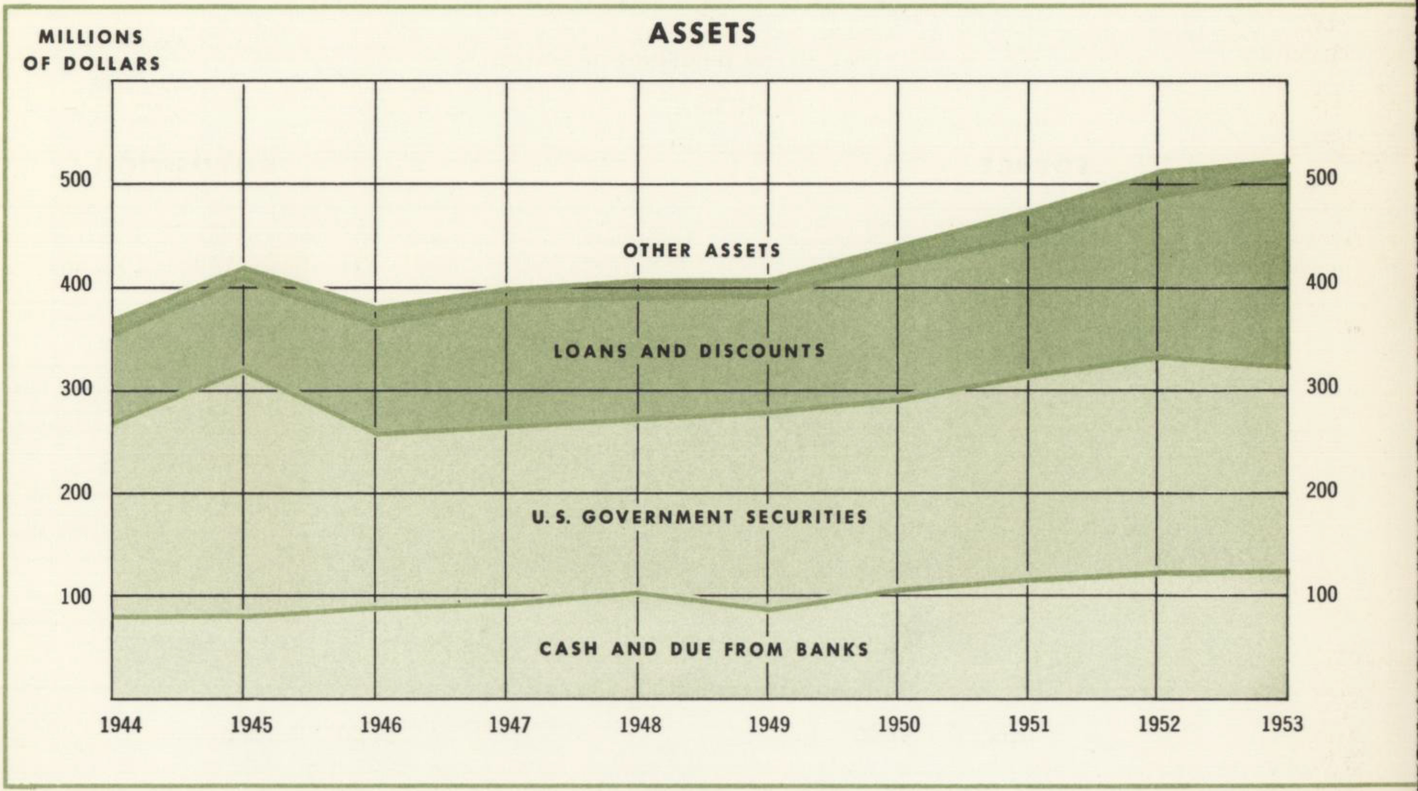
	DISPOSITION
11¢	*Interest on Time Deposits*
33¢	*Salaries*
21¢	*Taxes (Including Federal Income Taxes) and Assessments*
18¢	*Other Expenses*
2¢	*Transferred to Valuation Reserves*
7¢	*Dividends Paid*
8¢	*Retained in Business*
$1.00	*TOTAL*

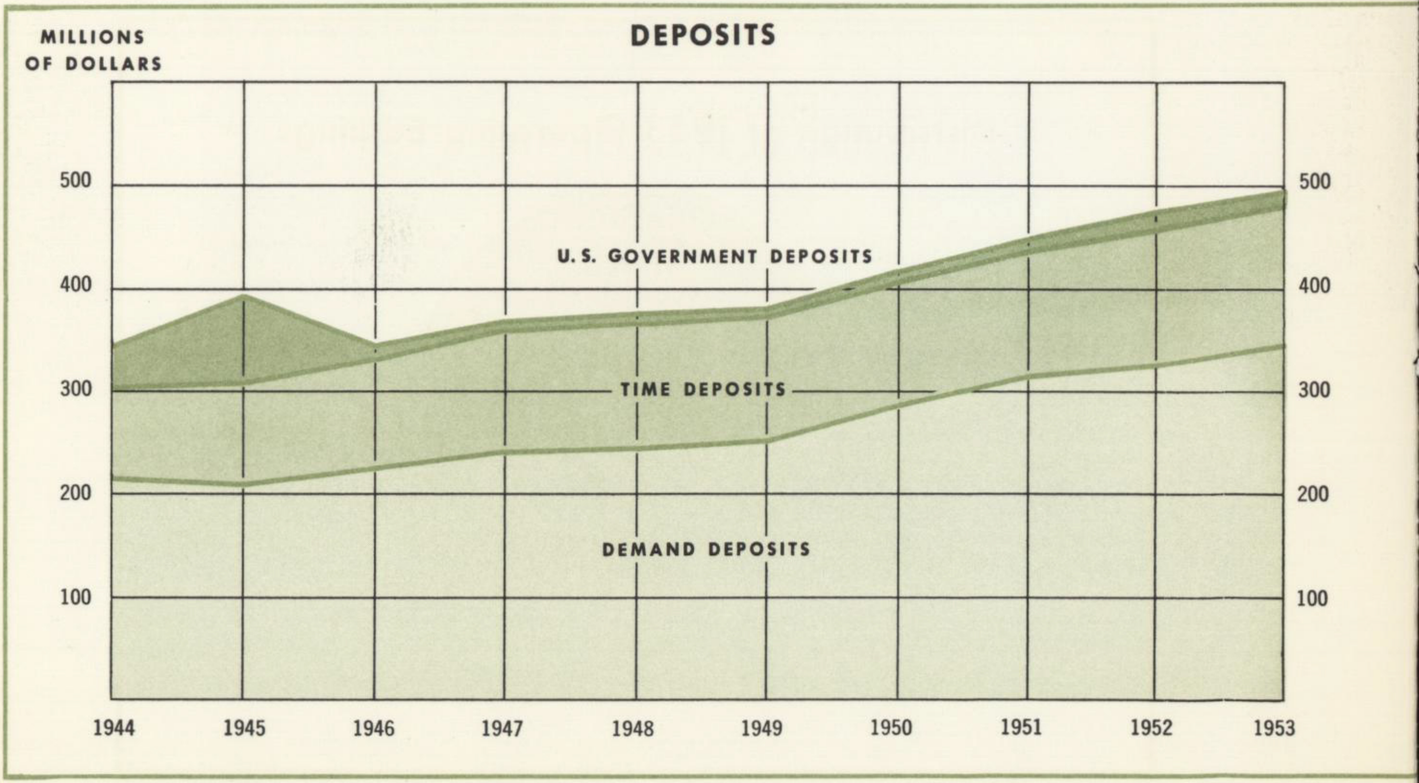
Distribution of 1953 Operating Earnings



*Provision for Federal Income Taxes on Operating Earnings

Ten-Year Growth Comparison





# of Assets and Deposits

ASSETS

(In Thousands of Dollars)

At Year-End	Cash in Vault and Due from Banks	U. S. Gov't. Securities	Loans and Discounts (a)	Other Assets	Total Assets (a)
1953	$125,961	$196,553	$193,042	$ 6,311	$521,869
1952	122,379	207,735	170,125	9,448	509,688
1951	114,913	200,653	152,059	5,698	473,324
1950	104,790	185,193	138,622	18,076	446,682
1949	85,135	190,492	117,809	11,306	404,743
1948	99,906	170,969	121,180	12,202	404,258
1947	89,447	171,409	122,371	11,181	394,409
1946	84,730	166,401	109,144	12,363	372,639
1945	76,578	239,654	89,828	9,501	415,563
1944	78,416	184,953	92,456	8,545	364,371

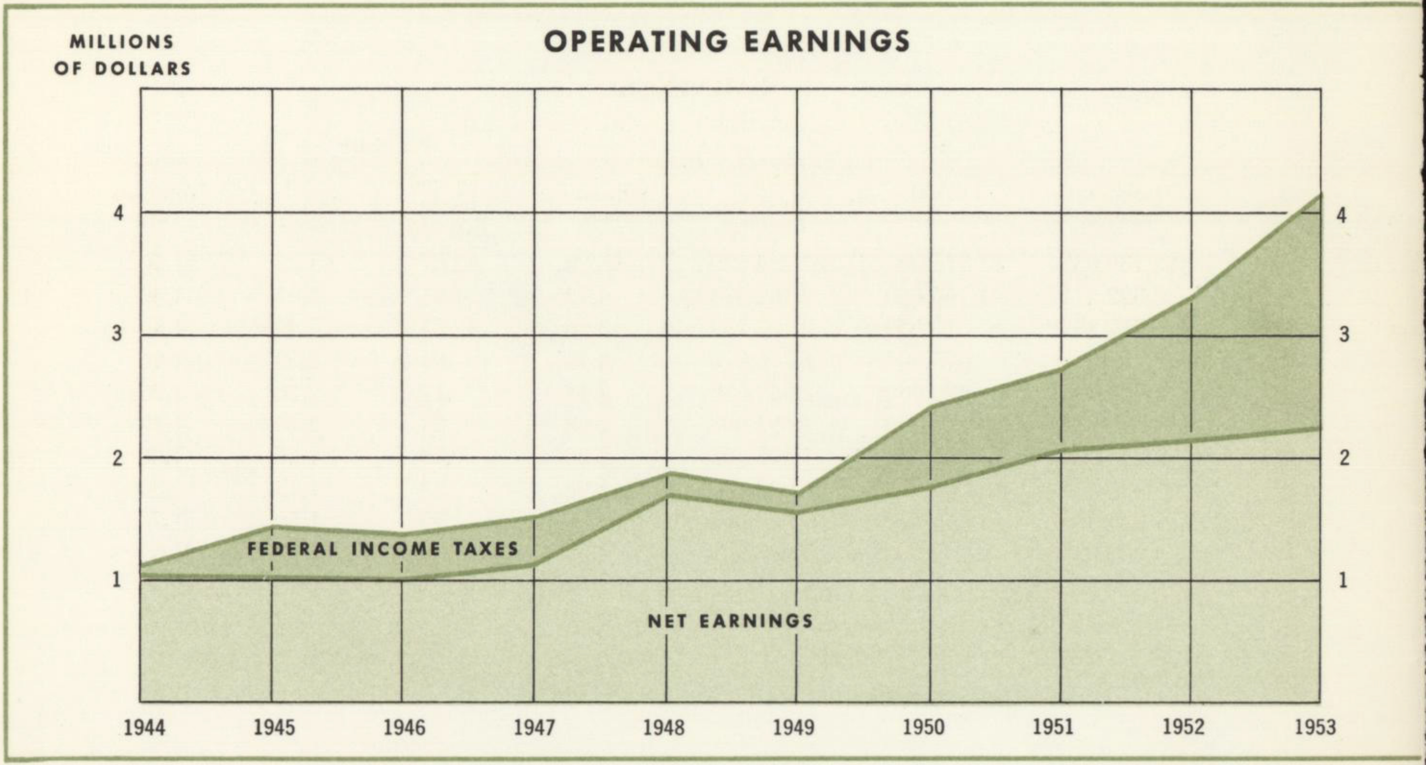
(a) Amounts shown are before deductions for Valuation Reserves.

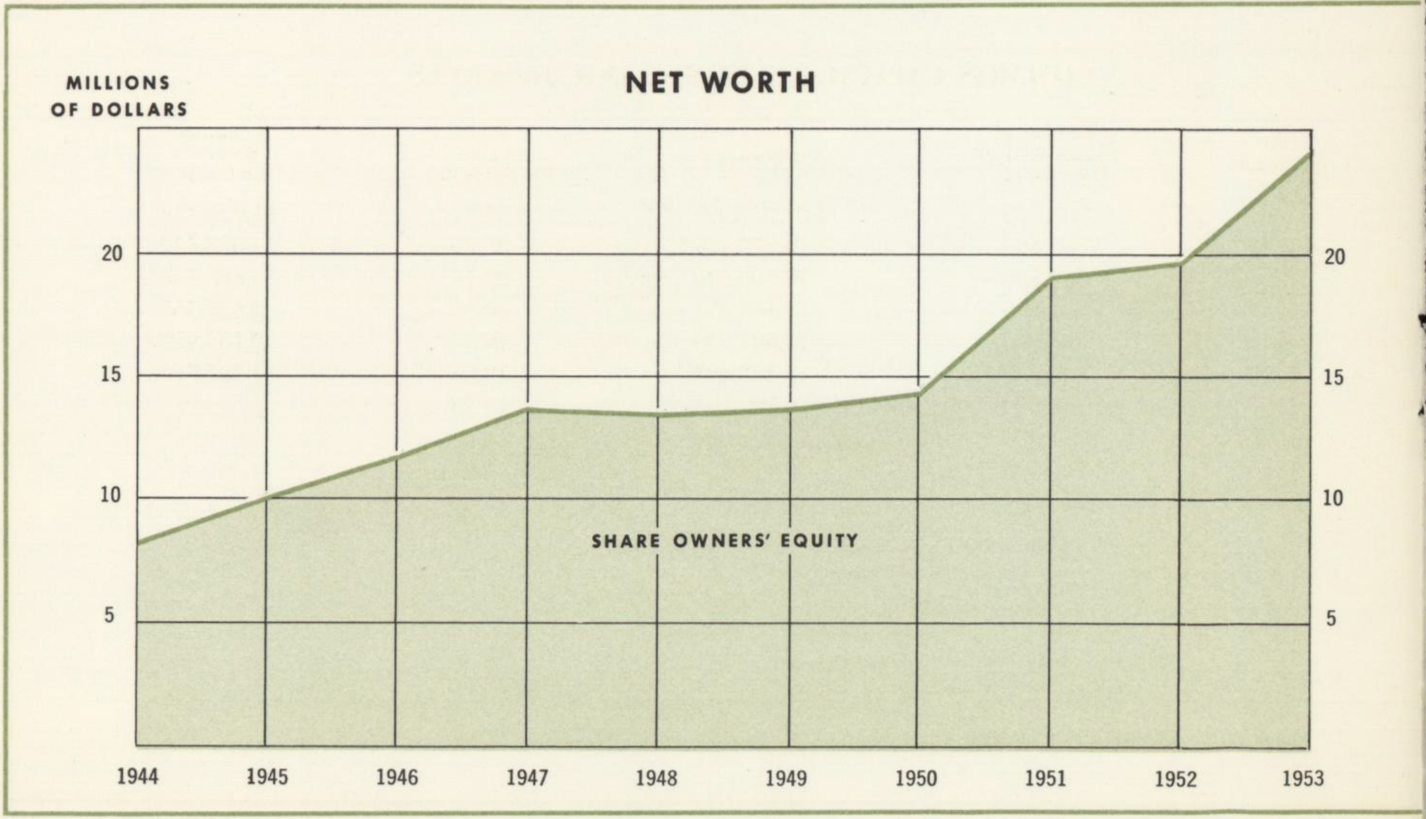
DEPOSITS

(In Thousands of Dollars)

At Year-End	Demand Deposits	Time Deposits	Total Time and Demand Deposits	U. S. Treasury Tax and Loan Account	Total Deposits
1953	$343,634	$132,927	$476,562	$12,585	$489,148
1952	332,652	130,483	463,135	15,348	478,484
1951	311,525	125,416	436,941	11,373	448,314
1950	284,933	121,141	406,074	7,551	413,625
1949	249,699	122,574	372,273	8,425	380,698
1948	243,771	125,145	368,916	7,053	375,970
1947	242,159	121,605	363,764	3,653	367,417
1946	223,696	111,236	334,933	10,042	344,975
1945	207,156	99,458	306,615	85,713	392,328
1944	216,024	87,321	303,346	40,981	344,327

Ten-Year Comparison of





Earnings and Capital Accounts

EARNINGS

				Per Share			
Year	Operating Earnings	Federal Income Taxes	Net Operating Earnings	Operating Earnings (a)	Federal Income Taxes (a)	Net Operating Earnings (a)	Dividends Paid
1953	$4,139,039	$1,875,000(d)	$2,264,039	$5.89	$2.67	$3.22	$1.60
1952	3,322,374	1,160,000	2,162,374	4.72	1.65	3.07	1.40
1951	2,717,237	610,000	2,107,237	3.86	.87	2.99	1.30(b)
1950	2,451,076	675,000	1,776,076	3.48	.96	2.52	1.20
1949	1,708,638	120,000	1,588,638	2.43	.17	2.26	1.20(c)
1948	1,890,983	199,000	1,691,983	2.68	.28	2.40	1.10
1947	1,548,458	383,000	1,165,458	2.20	.55	1.65	1.00
1946	1,398,020	375,000	1,023,020	1.98	.53	1.45	.80
1945	1,429,805	370,000	1,059,805	2.03	.53	1.50	.70
1944	1,143,049	60,000	1,083,049	1.62	.08	1.54	.60

(a) Adjusted 703,125 shares presently outstanding.

(b) Also two Stock Dividends aggregating 13.305785%, (57,600 shares).

(c) Also 10% Stock Dividend, (30,000 shares).

(d) See Page 5.

COMMON CAPITAL ACCOUNTS AND RESERVES

At Year-End	Number of Shares of Stock Outstanding	Capital Stock, Surplus, and Undivided Profits (a) (b)	Book Value Per Share (c)	Valuation Reserve for Loans
1953	703,125	$24,237,994	$34.47	$4,925,772
1952	562,500	19,870,175	28.26	4,538,342
1951	562,500	19,108,610	27.17	3,858,455
1950	330,000	14,169,591	20.15	2,687,458
1949	330,000	13,607,974	19.35	2,163,959
1948	300,000	13,382,221	19.03	1,487,562
1947	300,000	13,528,104	19.23	
1946	250,000	11,575,343	16.46	
1945	250,000	9,973,878	14.18	
1944	250,000	8,202,943	11.66	

(a) After adjustment for the difference between Retirable Value and Par Value of Preferred Stock for the years 1944 and 1945.

(b) Includes sale of additional Common Capital Stock as follows:

October, 1947	50,000 shares at $25 . .	$1,250,000
January, 1951	66,000 shares at $27 . .	1,782,000
December, 1951	108,900 shares at $27 . .	2,940,300
November, 1953	140,625 shares at $28 . .	3,937,500

(c) Adjusted to 703,125 shares presently outstanding.

Directors of the Bank

WALTER C. ASTRUP
Chairman, The Astrup Co.

ALLEN L. BILLINGSLEY
President, Fuller & Smith & Ross Inc.

DUDLEY S. BLOSSOM, JR.
Secretary, Bearings, Inc.

JAMES E. CAMPBELL
President, The Campbell Coal Co.

GEO. S. COLE
Cleveland, Ohio

JAMES H. COOLIDGE
Vice President and Treasurer,
Thompson Products, Inc.

HOWARD P. EELLS, JR.
President, Basic Refractories, Inc.

LORING L. GELBACH
President

W. WAYNE HANCOCK
Vice President in charge of Finance and
Secretary, Republic Steel Corporation

HERBERT C. JACKSON
Partner, Pickands, Mather & Co.

J. M. KILLPACK
Senior Vice President

L. F. LAYLIN
Vice President

HOWARD J. MCGINN
President, Eaton Manufacturing Co.

J. C. MCHANNAN
Chairman

E. FRANKLIN MOTCH
President and Treasurer,
The Motch & Merryweather Machinery Co.

ROBERT J. SCHMUNK
Cleveland, Ohio

W. J. SCHOENBERGER
Cleveland, Ohio

LESTER M. SEARS
Chairman, Towmotor Corporation

E. W. SLOAN, JR.
Vice President and Treasurer,
Oglebay, Norton and Company

W. A. SOUTHWORTH
Squire, Sanders & Dempsey

R. J. WEAN
President and Treasurer,
The Wean Engineering Co., Inc.
Warren, Ohio

JAMES A. WEEKS
Thompson, Hine & Flory

MYRON H. WILSON, JR.
Partner, Wilson, McBride & Co.

ALEXANDER T. WOOD
President, The Wilson Transit Co.

L. C. WYKOFF
Arter, Hadden, Wykoff & Van Duzer

Officers of the Bank

John C. McHannan, *Chairman*

Loring L. Gelbach, *President*

J. M. Killpack, *Senior Vice President*

General Banking

H. R. Harris
Vice President

C. C. Burchard
Vice President

H. W. Parsons
Vice President

R. S. Strong
Assistant Vice President

W. P. Woodbridge
Assistant Vice President

General Banking

W. E. Caldwell, Jr.
Vice President

M. J. Hartman
Vice President

O. A. Kuhl, Jr.
Vice President

W. H. Quayle
Assistant Vice President

K. P. Lincoln, Jr.
Assistant Cashier

General Banking

E. L. Carpenter
Vice President

C. H. Martin
Vice President

E. J. Sprankle
Assistant Vice President

B. F. Hopkins, Jr.
Assistant Cashier

E. E. Steehler
Assistant Cashier

J. R. Wilson
Assistant Cashier

Mortgage Loans

H. H. Juergens
Vice President

C. W. Deutsch
Assistant Cashier

H. L. Fulton
Assistant Cashier

R. W. Knipper
Assistant Cashier

Consumer Credit

J. J. Holland
Vice President

A. G. Randt
Assistant Cashier

Foreign Division

O. L. Carlton
Vice President

J. F. Schreier
Assistant Vice President

J. A. Hess
Assistant Cashier

Investments

C. M. Colyer
Vice President

Economist

R. H. Metzner
Vice President

Credit Department

D. S. Clarke
Vice President

Legal Department

L. F. Laylin
Vice President

W. T. Smith
Assistant Counsel

Control and Audit

R. C. Huelsman
Vice President
and Comptroller

T. W. Harris
Assistant Comptroller

R. N. Vieracker
Auditor

Commercial Business Development

R. H. Eichman
Vice President

W. E. Flack
Assistant Cashier

F. U. Luehrs
Assistant Cashier

Public Relations

F. J. Blake
Director

Advertising

H. J. Wills
Assistant Vice President

Personnel

Frederick Lynch, Jr.
Director

F. W. Brush
Manager

* * *

Cashiers' Department

M. W. Moran
Cashier

J. L. Carlson
Assistant Cashier

A. J. Mampel
Assistant Cashier

Wilson W. Smith
Assistant Cashier

Operating

A. E. Staley
Assistant Vice President

J. J. Luttner
Assistant Cashier

J. H. Perry
Assistant Cashier

* * *

Methods and Procedures

F. U. Steele
Assistant Vice President

Trust Department

A. C. Knight
Vice President

W. A. Hiles
Vice President

H. A. Minnich
Vice President

W. C. Way
Vice President

Bruce Whidden
Vice President

K. G. Chamberlain
Trust Officer

A. Heinzerling
Trust Officer

J. T. Lieser
Trust Officer

L. H. Lyman
Trust Officer

J. P. McClain
Trust Officer

G. L. Smith, Jr.
Trust Officer

W. G. Stoll
Trust Officer

E. H. Wallace
Trust Officer

C. H. Braley
Manager Tax Division

R. E. Mayne
Manager
Trust Investment Division

Central National Bank Offices

1 MAIN OFFICE
123 West Prospect Ave.

2 BROOKPARK-PEARL OFFICE
6300 Brookpark Road
G. H. SELL, *Manager*

3 BUCKEYE ROAD OFFICE
11819 Buckeye Road
A. M. ROSE, *Manager*

4 CEDAR-CENTER OFFICE
13917 Cedar Road
C. P. LAMB, *Manager*

5 COVENTRY OFFICE
Coventry & Lancashire Rds.
L. O. BOND, *Manager*

6 DOAN OFFICE
Euclid Ave. at E. 101st St.
D. D. SCOTT, *Asst. Vice President*

7 EUCLID AVENUE OFFICE
509 Euclid Avenue
R. E. ARNOLD, *Manager*

8 KENMORE OFFICE
St. Clair Ave. at E. 140th St.
R. S. WILSON, *Manager*

9 LORAIN-W. 117TH ST. OFFICE
11718 Lorain Avenue
J. L. GRAF, *Manager*

10 OUL OFFICE
Broadway at E. 55th St.
W. A. McGINNIS, *Manager*
A. A. PENKALSKI, *Asst. Cashier*

11 PLAYHOUSE SQUARE OFFICE
1718 Euclid Avenue
W. G. KIRKWOOD, *Manager*

12 ROCKEFELLER OFFICE
612 Superior Avenue, N.W.
J. J. SCHULTZ, *Manager*

13 SHAKER HEIGHTS OFFICE
16821 Kinsman Rd.,
D. M. AGARD, *Manager*

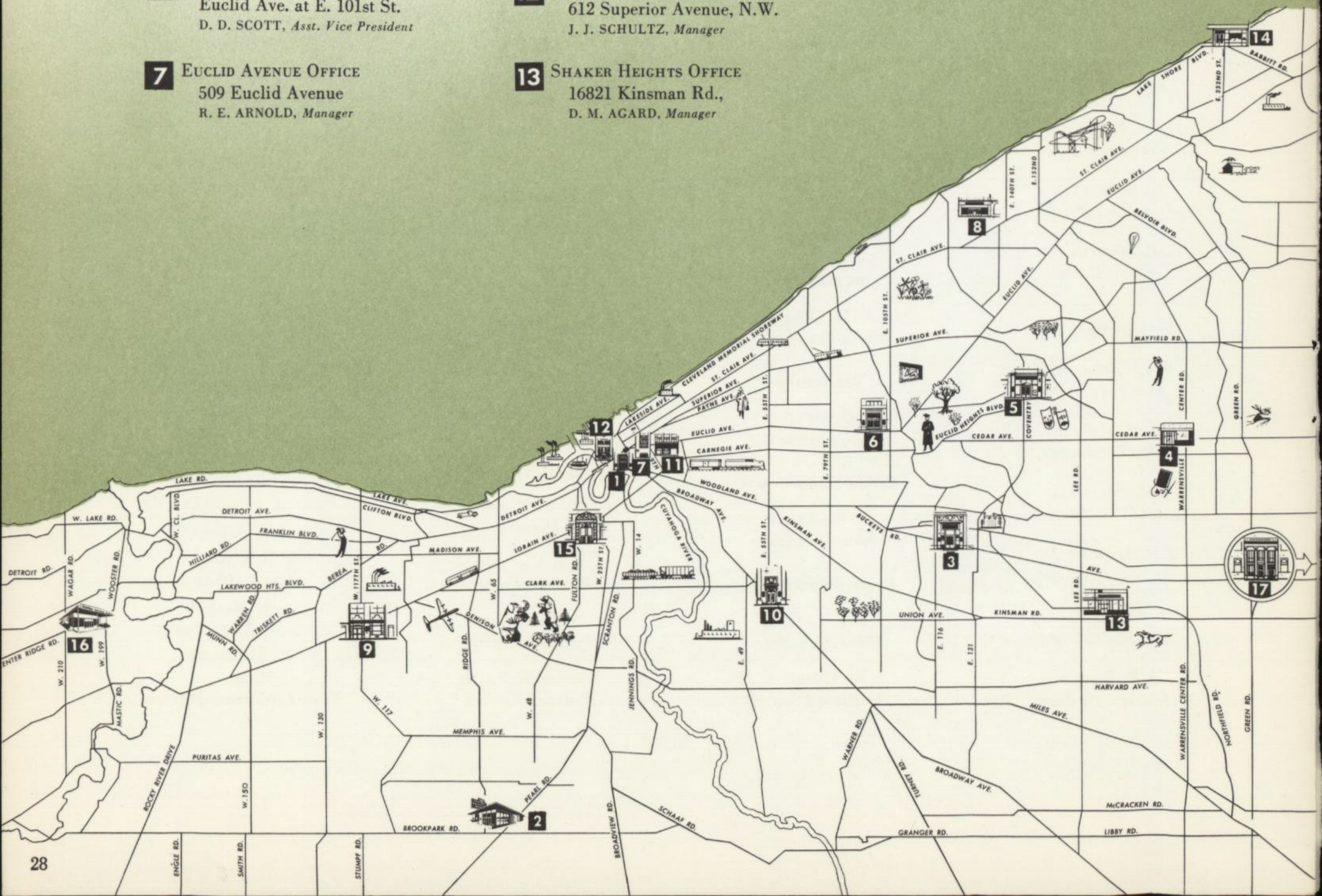
14 SHORE CENTER OFFICE
22332 Lake Shore Boulevard
R. C. PALMER, *Manager*

15 UNITED OFFICE
2000 West 25th Street
W. F. TAYLOR, JR., *Manager*
ALVIN D. HEIL, *Asst. Cashier*

16 WESTGATE OFFICE
20633 Center Ridge Road
P. V. PURCELL, *Manager*

* * *

17 CHAGRIN FALLS OFFICE
Chagrin Falls, Ohio
C. W. BLAZER, *Manager*


14
BABBITT RD.
LAKE SHORE BLVD.
E. 222ND ST.
ST. CLAIR AVE.
EUCLID AVE.
E. 140TH ST.
E. 152ND
8
BELVOIR BLVD.
ST. CLAIR AVE.
EUCLID AVE.
E. 105TH ST.
SUPERIOR AVE.
MAYFIELD RD.
CLEVELAND MEMORIAL SHOREWAY
ST. CLAIR AVE.
SUPERIOR AVE.
PAYNE AVE.
LAKESIDE AVE.
E. 55TH ST.
12
EUCLID AVE.
CARNEGIE AVE.
6
EUCLID HEIGHTS BLVD.
5
COVENTRY
CEDAR AVE.
CEDAR AVE.
CENTER RD.
GREEN RD.
4
WARRENSVILLE
LEE RD.
E. 79TH ST.
E. 9TH
7
11
1
WOODLAND AVE.
BROADWAY AVE.
CUYAHOGA RIVER
KINSMAN AVE.
BUCKEYE RD.
3
17
AVE.
LAKE RD.
W. LAKE RD.
DETROIT AVE.
LAKE AVE.
CLIFTON BLVD.
W. CL. BLVD
FRANKLIN BLVD.
HILLIARD RD.
DETROIT RD.
WAGAR RD.
WOOSTER RD.
LAKEWOOD HTS. BLVD.
BEREA RD.
W. 117TH ST.
MADISON AVE.
DETROIT AVE.
LORAIN AVE.
15
FULTON RD.
W. 25TH ST.
W. 14
W. 65
CLARK AVE.
WARREN RD.
TRISKETT RD.
MUNN RD.
DENISON AVE.
16
CENTER RIDGE RD.
W. 210
W. 199
9
RIDGE RD.
SCRANTON RD.
E. 55TH ST.
10
UNION AVE.
KINSMAN RD.
LEE RD.
13
E. 116
E. 131
E. 49
MASTIC RD.
W. 130
W. 117
W. 48
JENNINGS RD.
HARVARD AVE.
MILES AVE.
WARRENSVILLE CENTER RD.
NORTHFIELD RD.
GREEN RD.
MEMPHIS AVE.
PURITAS AVE.
ROCKY RIVER DRIVE
W. 150
WARNER RD.
TURNEY RD.
BROADWAY AVE.
PEARL RD.
2
BROOKPARK RD.
BROADVIEW RD.
SCHAAF RD.
McCRACKEN RD.
GRANGER RD.
LIBBY RD.
ENGLE RD.
SMITH RD.
STUMPF RD.

Litho in U.S.A.